



U.S. Immigration  
and Customs  
Enforcement

December 13, 2005

# News Release

## **ICE COMMENTS ON TODAY'S INDICTMENT OF 8 PEOPLE ON CONSPIRACY TO COMMIT SLAVERY AND TRAFFICKING** *Contract employees allegedly used counterfeit documents to obtain employment*

HOUSTON, Texas — In response to the indictment of eight people on conspiracy to commit slavery and trafficking, announced today by the U.S. Attorney's Office for the Southern District of Texas, U.S. Immigration and Customs Enforcement (ICE) issued the following statement:

"Sex trafficking and sex slavery are truly heinous crimes that leave lasting scars with the victims," said ICE Houston Special Agent-in-Charge Robert Rutt. "Cases like this demonstrate ICE's commitment to protecting those individuals who fall prey to this criminal element. We are working closely and continually with our law enforcement partners to locate and bring to justice those engaged in this criminal activity."

ICE encourages the public to report any suspicious activity, through its toll-free hotline at 1-866-DHS-2ICE. This hotline is staffed around the clock by investigators.

#ICE#

*U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.*



**U. S. Department of Justice  
U. S. Attorney's Office  
Southern District of Texas  
News Release**

*Chuck Rosenberg • United States Attorney*

**FOR IMMEDIATE RELEASE:**



December 13, 2005

John Yembrick  
Public Affairs Specialist  
P. O. Box 61129 Houston, TX 77208  
Phone: 713/567-9388 Fax: 713/718-3389

[CONTACT US](#)

**EIGHT PERSONS INDICTED FOR CONSPIRACY TO COMMIT SLAVERY AND  
TRAFFICKING**

(HOUSTON, TX) United States Attorney Chuck Rosenberg and Assistant Attorney General Wan Kim, Civil Rights Division of the Department of Justice, announced today the indictment of eight persons for their roles in an organization allegedly involved in the trafficking of Central American females for compelled service at Houston area bars and restaurants through force, fraud and coercion.

The indictment returned late yesterday, December 12, 2005, by a grand jury in Houston, Texas, charges the following eight defendants: **Maximino MONDRAGON**, also known as "El Chimino," 57, the owner of El Potrero de Chimino Bar and La Margarita Restaurant, both located on Hempstead Highway; **Walter Alexander COREA**, 39, the owner and operator of the El Cuco Restaurant located on West Tidwell Road; **Victor Omar LOPEZ**, 38, and **Oscar MONDRAGON**, 47, operators of the Mi Cabana Sports Bar, also located on West Tidwell Road; **Maria FUENTES**, 35, a bartender and bookkeeper at Maximino's bar and restaurant; **Olga MONDRAGON**, 45, the operator of the El Huetamo Nite Club, also known as La Leona Club on Ojeman Road; **Kerin Josue SILVA**, 19, son of Walter Corea, who allegedly transported victims to the bars and restaurants, and **Lorenza Reyes-NUNEZ**, also known as "COMADRE," 30, who worked at Maximino Mondragon's businesses.

The first count of the indictment accuses all eight defendants of conspiring to hold persons in conditions of peonage and recruiting, holding, transporting and providing and obtaining persons for labor and services. Specifically, it is alleged that the conspiracy involved the recruitment of women and girls from Central America to travel to the United States with the expectation of legitimate jobs in bars and restaurants. The members of the conspiracy arranged transportation to facilitate their illegal entry into the United States and travel to Houston. Upon arriving in Houston, the defendants allegedly held the women through threats of force to compel and maintain their service as "bargirls" at bars and restaurants until each repaid smuggling and other assessed fees ranging from \$6,000 to

\$12,500. According to the indictment, the conspiracy included directing women and girls to turn themselves into immigration officers upon entering the United States, believing the women, non-Mexican illegal aliens, would be released with a Notice to Appear (NTA) for a future court date. The conspirators would then confiscate the NTA documents from the women and girls.

According to the indictment, while in service to the defendants as “bargirls,” the women and girls were expected to keep company with the male patrons of the bars and encourage the patrons to buy beer and liquor at high prices. A portion of the price of the beverage would be applied toward the female's outstanding debt. Additionally, the indictment alleges the women and girls were on occasion required to submit to sexual activity with male bar patrons and favored business associates of the conspirators. This conspiracy charge carries a maximum statutory penalty of five years imprisonment and a \$250,000 fine upon conviction.

The second count of the indictment charges seven of the defendants with conspiracy to smuggle aliens for commercial advantage and private financial gain. Nunez is not charged in this count. A conviction for this felony offense carries a maximum statutory penalty of 10 years in prison and a \$250,000 fine.

The indictment identifies eight women from El Salvador, Honduras and Nicaragua ranging in age from 16 to 38, who were recruited by one or more of the conspirators and compelled to work as “bargirls” to pay their smuggling fees.

According to the allegations of the indictment, in November 2001, El Chimino and Corea recruited two Honduran women, M.V.L., age 38, and M.A.L., age 34, to illegally travel and enter the United States offering transportation and work at their bars as a means of repaying the smuggling fees. Corea arranged the illegal entry of both of these women and a third Honduran woman, R.R.G., age 22, into the United States through Mexico and arranged their transport to Houston, Texas.

Upon arriving in Houston, Maria Fuentes took two of the women shopping for clothing, instructing them to buy sexually provocative outfits. The cost of the clothing was added to the women's debt. Fuentes was also involved in accounting for the number of drinks the women and girls working as “bargirls” sold to customers, tracking payments toward the smuggling and other debts, and Fuentes is also specifically alleged to have kept such an accounting for a fourth identified woman, B.E.B., then age 27.

Two months later, in February 2002, Lorenza Reyes-Nunez allegedly told El Chimino that M.A.L. was planning to flee before her debt and term of service was completed. El Chimino threatened the woman's children telling her he knew where they lived and describing the woman's home in Honduras.

According to the indictment, in September 2002, angered because yet another woman had fled without paying her fee, El Chimino called a meeting of all the women then in debt. He told them he would burn the woman's house down in retaliation for her escape. El Chimino also allegedly assessed thousands of dollars in additional fees upon B.E.B. after her roommate fled without his permission.

In April 2004, Corea allegedly assaulted C.Y.R., a then 24 year-old Nicaraguan woman in his debt, who complained about a \$1,000 fee assessed for tardiness. Corea threatened to harm her child if she reported the assault to police.

Oscar Mondragon was also allegedly involved in recruitment. It is alleged that in February 2005, Mondragon recruited two young Salvadoran women, E.C.C., 19, and E.M.Z., 20, to travel and enter the United States illegally with promises of a good job in a restaurant. Upon the arrival of the two young women in Houston, Mondragon confiscated their Notice to Appear paperwork. Olga Mondragon allegedly instructed the young women to dance with bar patrons, sit on the men's laps and to be intimate with the men.

Months later in June 2005, Oscar Mondragon negotiated to sell E.C.C., the 19 year-old Salvadoran, and J.L.O., a 16 year-old Salvadoran he had recruited but who had not yet arrived in the U.S., to another bar owner for use as "bargirls" or prostitutes, assuring the buyer that both women would be "use to captivity." Two days later, Oscar Mondragon and Victor Omar Lopez met with an unidentified buyer and accepted a down payment of \$3,000 for the two young girls. Following the illegal entry of the 16 year-old into the U. S. in late June 2005, Oscar Mondragon and Victor Omar Lopez sold the debts and the two young women for use as "bargirls" or prostitutes to the unidentified buyer.

With the exception of Olga Mondragon and Kerin Silva, who have been released on bond, the remaining defendants were ordered held without bond and are in federal custody. Each of the defendants will next appear in federal court for arraignment on a date to be set by the court.

The investigation leading to the filing of criminal charges is the result of a year-long investigation conducted by members of the Human Trafficking Rescue Alliance (HTRA) in Houston, Texas, which includes the United States Immigration and Customs Enforcement (ICE), the Federal Bureau of Investigation (FBI), the Harris County Sheriff's Office (HCSO), the Texas Alcoholic and Beverage Commission (TABC), and the Constables Offices of Precincts

One and Five. Assistant United States Attorneys Ruben R. Perez and Joe Magliolo, and Trial Attorneys Lou de Baca and James Felte with the Department of Justice, Civil Rights Division, will prosecute the case.

**The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant(s) are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.**

# # #